

Minutes of the Regular Meeting
St. Charles Firefighter's Pension Board
Wednesday, December 2, 2020
112 N. Riverside Ave.
Lower Level City Training Room
St. Charles, IL.
8:00 a.m.

Call to Order

The meeting was called to order by Steve Siwy at 8:05 a.m. with 5 members present.

Present: Steve Siwy, Brad Wilton, Chris Minick, Lance Maxwell, Fire Chief Scott Swanson

Absent:

Also Present: Jon Willhite; UBS via Skype, Greg Kiesewetter; Cook Castle Associates,
Carole Murphy; Recording Secretary

Minutes of the Meeting

• **Review/Approve Minutes of the September 2, 2020 Regular Meeting**

Brad Wilton reviewed the minutes of the September 2, 2020 meeting.

A motion was made by Lance Maxwell and seconded by Chris Minick to accept the minutes of the September 2, 2020 meeting.

A roll call vote was taken; all approved.

Motion carried

Old Business

New Business

1. Review/Approve Investments

Mr. Willhite reviewed and explained the Investment Performance Summary. He would like to research for a replacement index next week to present to the Board at the next quarterly meeting.

Mr. Minick will work with Mr. Willhite to find a replacement index and would like a meeting with the full Board to decide before the March 2021 meeting. Mr. Willhite will do the research for a replacement index and call a special meeting with the Board.

Mr. Willhite went on with review of I Shares investments. Mr. Minick would like to put I Shares on a watch list but is comfortable waiting for the next quarter managers' report.

Review of fund managers continued. A report on the Blackrock Multi Asset will be completed next week.

Moving to the rebalancing spreadsheet, the quarter was closed out with approximately \$45.3 million and is now at \$47.4 million. \$263,000.00 in cash is needed to pay the beneficiary payments through February until the March meeting. There is currently 32.9% in fixed income which is statutorily under allocated, it should be at 35%. Mr. Willhite is recommending taking \$663,000.00

from the Blackrock Multi Asset Income and place \$263,000.00 into the UBS Money Market Account, and place \$400,000.00 into the Allianceberstein Long Short fund.

A motion was made by Chief Swanson and seconded by Chris Minick to take \$663,000.00 from Blackrock Multi Assets, move \$263,000.00 into the UBS Money Market and the remainder of \$400,000.00 into the Allianceberstein Long Short fund.

A roll call vote was taken; all approved.

Motion Carried.

Mr. Willhite exited the meeting at 08:38 am.

- **2020 Tax Levy Discussion**

Chris Minick reviewed the 2020 tax levy stating the request amount was approved at the last meeting. He will be going to City Council on December 7, 2020 for the public hearing and consideration of the tax levy ordinances. A request for a levy amount in accordance with the Foster & Foster Actuarial report page #5 for the recommended City contribution of \$2,530,046.00 will be made. Traditionally there has been no issues with the recommendations for the pension funds.

- **Review, Consideration and Approval of the April 30, 2020 FY Annual Financial Report**

Mr. Minick stated the April 30, 2020 Annual Financial Report draft was reviewed at the last meeting. He said there were no changes made since the September meeting.

Mr. Minick also distributed and reviewed the auditor's communication to the president and members of the Board of Trustees. It was a clean audit with no suggestions or comments.

A motion was made to approve the April 30, 2020 FY Annual Financial Report by Brad Wilton and seconded by and seconded by Chris Minick.

A roll call vote was taken; all approved.

Motion Carried.

- **Review /Approve the April 30, 2020 FY Municipal Compliance Report**

Chris Minick reviewed and explained the numbers are from the actuarial and the annual financial report.

Mr. Minick recommended a motion for President Siwy to sign the report and to return it the City.

A motion was made by Chris Minick and seconded by Chief Swanson to accept the 2020 Municipal Compliance Report for signature and return to the City.

A roll call vote was taken; all approved.

Motion Carried.

- **Review/Approve Fiduciary Liability Insurance**

Mr. Greg Kiesewetter of Cook Castle Associates presented and reviewed the fiduciary liability renewal. The policy period is from January 1, 2021 – January 1, 2022.

There is new premium is \$7,211.00 which reflects an increase of \$260.00 because assets increased from \$31,000,000.00 to \$47,000,000.00 over a 6-year period.

Mr. Minick asked of \$2,000,000.00 is still an adequate coverage amount. Mr. Kiesewetter confirmed that it is based on assets under \$50,000,000.00. That amount may change within 2 -3 years.

Steve Siwy noted the cyber insurance was reviewed last year stating the City has a policy to cover this as well. Mr. Minick confirmed with the underwriters that this is a separate entity legally under statute. Mr. Minick will reconfirm for this upcoming year.

A motion was made by Chris Minick and seconded by Brad Wilton to approve the premium in the amount of \$7,211.00 for Fiduciary Liability Insurance coverage.

A roll call vote was taken of those present; all approved.

Motion Carried.

- **Review/Approve Fidelity Bond Coverage**

Mr. Greg Kiesewetter of Cook Castle Associates reviewed and explained fidelity bond coverage with requirements. He stated fidelity coverage is theft of (your) money. This is an elective coverage that would only be triggered if the pension fund suffered a loss by theft. The policy period is for 3 years. Steve Siwy asked if this coverage would extend to beneficiaries. It was explained coverage only applies to the trustees of the Pension Board. He reviewed various examples of theft and fraud that would be covered.

Chris Minick thinks this would be good coverage to have based on the 3-year quote. Mr. Minick stated likes the idea that after consolidation, looking at both of the coverages and decided exactly what is needed.

A motion was made by Chris Minick and seconded by Chief Swanson to approve obtaining fidelity bond coverage contingent on the underwriter returning the same terms and conditions after submitting an application.

A roll call vote was taken of those present; all approved.

Motion Carried.

- **Review/Approve Expenditures**

Steve Siwy reviewed the current list of expenditures in the amount of \$79,783.62.

A motion was made by Chris Minick and seconded by Brad Wilton to approve the expenditures in the amount of \$79,783.62 as presented.

A roll call vote was taken of those present; all approved.

Motion Carried.

- **Review/Approve 2021 Meeting Dates**

Meeting dates for the quarterly Fireman's Pension Board were reviewed and are as follows:

- March 3, 2021
- June 2, 2021
- September 1, 2021
- December 1, 2021

A motion was made by Chris Minick and seconded by Steve Siwy to approve the Fireman's Pension Board meeting dates as discussed barring any changes.

All approved.

Motion Carried.

- **Review/Approve Cost of Living Adjustments**

The annual cost of living adjustments was reviewed and discussed.

A motion was made by Steve Siwy and seconded by Chris Minick to table the approval of the cost of living adjustments until the special meeting.

A roll call vote was taken; all approved.

Motion Carried.

- **Other Business**

Steve Siwy reminded the Board that all training must be completed by the end of the year.

Chief Swanson's training is completed in full and only needs to obtain the certificate from IPPFA.

Lance Maxwell's term is ending and does not need training.

- **Public Comment**

None

Adjournment

A motion was made by Chris Minick and seconded by Chief Swanson to adjourn the meeting at 9:27 a.m.

A roll call vote was taken; all approved.

Motion Carried.

Respectfully submitted by Carole Murphy; Secretary